

## REDUCTION OF EXPENSES OF FEDERAL GOVERNMENT.

[To accompany bills H. R. Nos. 437, 438, 439, and 440.]

MAY 25, 1842.

MR. MERIWETHER, from the Committee on Public Expenditures, submitted the following

### REPORT:

*The Committee on Public Expenditures, to whom was referred a memorial from a portion of the citizens of the State of Ohio, asking for a reduction of 20 per cent. in the pay of all officers of the Federal Government, and for the adoption of economy in the expenditures of the Government, in response to the memorialists, submit :*

That, in their opinion, exact justice would not be done the officers of the Government, if the levelling rule proposed by the memorialists were adopted. Many of the salaries were fixed at a time when labor and produce were at as great a depreciation as now ; no increase has been made in them, and they have remained unchanged, amidst the great appreciation of labor and produce. The officers have submitted to the prejudice of that appreciation, and it does not seem to be demanded by the welfare of the Government, that such reductions should be made in reference to that class of officers. But the committee are fully persuaded that there must be a very great and rapid reduction in the expenditures, or else the Government, relying upon its ordinary revenues, cannot meet its debts and sustain its current expenses. No duty which can be collected from importations can supply the necessary means. And even should the public lands be diverted from the States, under the operation of the provisions of the act distributing them, still there will yet be a deficiency of means, unless the causes of expenditures are first removed. The public lands can in no event be made a certain and reliable source of revenue. Their great yield of revenue is over ; a very large portion of the most valuable has been sold ; and now there is exceeding 118,000,000 acres subject to private entry, and for which there seems to be but little demand. What, then, should be done ? The committee are satisfied that the most rigid economy should be adopted, both in the object as well as in the manner of expenditures ; that every channel should be closed that will properly admit it, and no new one opened, unless an overruling necessity shall compel it ; the probable happening of which, to any serious extent, is not anticipated.

As a means of relief to the Treasury, the committee propose the reduction of the pay of all officers of the Government to the same pay allowed them on the 4th March, 1825, and a reduction of 20 per cent. upon the salaries of all offices created since that time, unless such salaries may have

been already reduced; then only such a per cent. as will, in the whole make the reduction equal to that per cent. They propose some alterations of existing regulations and laws in reference to several departments. They propose a reduction of the pay and emoluments of the officers of the army and navy, specifically, of 20 per cent., unless such a reduction will not bring them down to the pay on 4th March, 1825; in that event, still to be reduced to that allowance. And they propose the reduction of the army and navy to a suitable peace establishment. The committee are persuaded that, if their suggestions shall be adopted, the ordinary annual expenses of the Government will be reduced four millions of dollars, and the country be equally well served without as with that expenditure.

The committee have examined, somewhat critically, the expenditures of the Navy Department, and conclude that flagrant abuses are to be found there. Its annual increase of expenses is justly the subject of serious apprehension. The following table contains a statement of expenditures for the last twelve years:

## STATEMENT.

Year.	Amount.	Year.	Amount.
1829	\$3,308,745	1835	\$3,864,939
1830	3,239,428	1836	5,800,763
1831	3,856,183	1837	6,646,632
1832	3,956,370	1838	5,941,381
1833	3,901,356	1839	6,182,294
1834	3,956,269	1840	6,031,088

This branch of public service is silently growing up into a mighty engine of power. Ships are placed in service, subject to no limitation in number but the will of the Executive; and officers are multiplied at the volition of the same power. The army is regulated by law, and no increase can be made without its approval. To arrest the abuse of such unlimited discretion, the committee report a bill prohibiting the President from putting ships in commission, or increasing the number of officers and seamen, without express authority of law.

Within the last two years the number of officers has greatly increased, so that three hundred have been added to the list within that time. The following contains a comparative statement of the number on the 1st January, 1840, and 1st January, 1842:

## STATEMENT.

Officers, &c.	1840.	1842.
Captains - - - - -	55	68
Commanders - - - - -	55	96
Lieutenants - - - - -	290	328
Surgeons - - - - -	60	70
Passed assistant surgeons - - - - -	17	11
Assistant surgeons - - - - -	53	55
Pursers - - - - -	51	64
Chaplains - - - - -	13	24
Passed midshipmen - - - - -	191	103
Midshipmen - - - - -	231	459
Masters - - - - -	29	30
Masters' mates - - - - -	-	4
Professors of mathematics - - - - -	17	22
Teachers of languages - - - - -	2	3
Boatswains - - - - -	32	32
Gunners - - - - -	37	41
Carpenters - - - - -	24	36
Sailmakers - - - - -	25	33
Naval storekeepers - - - - -	9	9
Naval constructors - - - - -	5	7
Permanent navy agents - - - - -	10	10
Temporary navy agents - - - - -	4	4
Engineer department - - - - -	-	3
Total - - - - -	1,210	1,512

Making an increase of 302 officers in the space of two years. Consequent upon the increased expenditures of the navy, and the increase of its officers, has arisen a great abuse, in keeping a large number of officers in the pay of the Government, rendering no service, because there is none to render.

In 1835, the No. of officers was 1,051; waiting orders and on leave, 324.

In 1837, do do 1,113; do do 271.

In 1840, do do 1,210; do do 286.

In 1842, do do 1,512; do do 365.

All these officers received their pay, though rendering no service; and the pay of those "absent on leave, and waiting orders," will amount to near \$350,000 in the year 1842.

That the power of appointment has, for many years past, been exercised without reference to the public interests, is manifest from the fact that, at every increase of officers, there were, usually, as many absent and waiting orders, doing no service, and receiving high pay, as would have been sufficient, if required to perform service, to have dispensed with any increase.

The committee have discovered, by reference to the Official Registers, that, since 1828, a very large proportion of the officers of the navy have not been rendering service to the Government for many years, and still have received their pay during all that time. It is not unusual for officers to be

absent for four, six, eight, and ten years, and at the same time to be regularly promoted in rank and to the receipt of higher pay. Some instances have occurred, in which officers have been absent a greater length of time than this. It appears, from the Official Register, that on 30th September, 1828, Samuel Woodhouse, of Pennsylvania, was "on leave;" and from that period to 1st January, 1842, he was either "on leave" or "waiting orders," receiving pay, and, in the mean time, has passed through the several grades from lieutenant to captain.

David Deacon, of New Jersey, was "on leave" at the same time, and in September, 1839, was "waiting orders," being out of service all the while, but receiving promotion and pay.

Bladen Dulaney, of Virginia; Abraham J. Ten Eyck, of New Jersey; Lewis E. Simonds, of Massachusetts; H. H. Cocke, of Virginia; W. J. McCluney, of Pennsylvania; Edward J. Johnson, of Rhode Island; Thomas J. Manning, of New Jersey; Alexander G. Gordon, of the District of Columbia; Charles E. Crowley, of South Carolina; Stephen Cassin, of Pennsylvania; Henry Henry, of Virginia; mostly from September, 1829, down to January, 1842, have rendered no service at all to the Government; or, if any, just enough to be regarded as a "national calamity;" and yet they have received pay and been promoted. The committee will not be understood as saying that these are all the cases of this character which are existing. Very far from it. Many are to be found who, in a period of 14 years, have been "on leave" and "waiting orders" 10 years. They have mentioned these as some of the most flagrant cases, for the purpose of illustrating the necessity of the measure of retrenchment which they propose. "Waiting orders" has become the idler's lounge for the navy; it is a by-word and reproach to the service. It would be a higher compliment to the officers if they were *seeking* or *under* orders. That there are peculiar circumstances, in which an officer might be placed, which would justify this position for him, without reflection upon him, is undeniably true; but when the position is sought, as it seems to be in many cases, as a shield from service, while a large annual salary is allowed, no apology can relieve against the severest censure. The evil requires correction, and the committee report a bill to withhold from any officer pay and compensation, and to deny to him the right of promotion, who shall be "absent" or "waiting orders" more than six months in a period of four years.

It may be objected, that no officer should be prejudiced by the Government having no orders for him to execute. But this is met by the broad and just principle, that the interests of the whole country should be preferred to that of a few individuals. The navy is overgrowing the wants of the country; and instead of building more ships, to give these officers "waiting orders" and "on leave" employment, true economy consists in discharging them from service, and leaving them, like their brother officers, and the great mass of the people, to live by their industry. The offices of the navy are becoming mere sinecures, and a matter of earnest pursuit to possess. Abolish, then, the temptation which high pay and no services create, and the navy will soon adjust itself to the wants of the country and to a proper system of economy. There is no reason that the Government should pension officers upon the Treasury, when there is no need for them; there is no justice in allowing a gallant and meritorious officer, who *has* served his country in the day of battle, or wasted his health in arduous duty for years, to be superseded in command, or thrown back from promotion, by one who has been for a greater number of years en-



rolled on the pay roll, and who has been in the quiet shades of retired life, far from the sea and its dangers, surrounded by the bliss and enjoyment of "wife, children, and friends," "on leave," or "waiting orders." Justice to the faithful officers demands reform at our hands.

Connected with this abuse is another, of twice paying the same officer for his services. Many of them are and have been engaged in the coast survey, and received pay for their rank in the navy as well as in that work. From September, 1834, to November, 1841, seventy-two officers have, at different times, been engaged there. A bill, reported by this committee some time since, regulating the pay of the army and navy, will correct this abuse. The committee are persuaded that, in this work, a great retrenchment of expenses may be made, and as much good result to the country by a judicious change in its plan. At present it is extravagantly expensive, and of no great practical use. Its expenses may be reduced 50 per cent., and afford equally as much benefit to the country. As now conducted, the survey is not of the *coast*, but of the whole of several of the Atlantic States. This can be of no use to the mariner, who wants the soundings and charts of the coast and inlets and harbors. In his report, the superintendent says: "The aim of the coast survey is to furnish with the fullest accuracy possible *all* the geographical, topographical, and hydrographical data that may, in *any way*, be needed for the *navigation* and *defence* of the coast, in their generality, and to the extent of the country in the rear of the coast, to which the valleys extend that empty their waters into the Atlantic, and are thus separated from it by some chain of mountains, or what may be called the nearest chains of elevation separating the interior from the coasting country; and that this work should furnish the elements to *any future map* of the country desired, as it is, by its nature, so extensive, and so situated as to furnish the elements of maps of all the States." Under this extended construction of the "survey of the coast" a map of the State of New York has been constructed, and is now engraving, covering eleven hundred and seventy square miles; and in some of the Southern States the survey will extend two hundred and fifty miles into the interior.

The committee recommend that the coast survey should be confined to the collection of "data for the navigation of the coast." This course is rendered the more necessary on account of the accelerated increase of its expenditures, and the slight benefit derived from the work. It is fast becoming a separate department in the Government, and can scarcely be called any longer a bureau. There is a large train of officers, with a superintendent at their head; a regular office established, in which maps are constructed and engraved; a manufactory for instruments for scientific purposes; a library of classical books; a squadron of five schooners and brigs, and twenty boats, with carriages, wagons, and horses, all authorized, as it appears, under an appropriation for the "coast survey."

The following have been the appropriations to this work:

In 1832	-	-	\$20,000	In 1837	-	-	\$60,000
In 1833	-	-	20,000	In 1838	-	-	90,000
In 1834	-	-	30,000	In 1839	-	-	90,000
In 1835	-	-	30,000	In 1840	-	-	100,000
In 1836	-	-	80,000	In 1841	-	-	100,000

The pay of the officers is likewise extravagant:

F. R. Hassler, superintendent, receives	-	-	\$6,000 per annum.
James Ferguson	-	-	4,000 " "

E. Blunt	-	-	-	-	-	3,000 per annum.
C. Renard	-	-	-	-	-	3,000 " "
W. M. Boyce	-	-	-	-	-	2,000 " "
J. J. S. Hassler	-	-	-	-	-	2,000 " "
John Farley	-	-	-	-	-	2,000 " "

With many others with salaries in like proportion. The total amount of salaries, as appears by report of the superintendent, exceeds \$60,000 per annum.

There is another source of great and extravagant expenditure, which, in the opinion of the committee, might properly be retrenched. It is the revenue cutter service. This is a naval force springing up amongst us, controlled by the Secretary of the Treasury, accountable to no one but him, extended at will by him, supported by him out of the revenue before it gets into the Treasury, and may cost the country whatever he shall direct. He appropriates and pays, without the sanction of Congress, and even without its knowledge. The country knows nothing of the expenditure, unless called for by either House. The collectors of the ports pay the expenses of this Treasury navy, and the Secretary of the Treasury approves or rejects the expenditures. The crews, ships, and boats, are subject to their order, for pleasure, interest, or public service. The professed object is to aid in the collection of the revenue; but, as our revenues have decreased, the expenses of these cutters have increased. There then must be some other extraneous matter connected with this service, which acts injuriously upon the public Treasury. The following is a statement of the expenses of this service, and the amount of revenue collected, for certain years stated:

	Expenses of cutters.				Revenue collected.
1830	-	\$163,755	-	-	\$21,922,391
1831	-	167,160	-	-	24,224,441
1832	-	193,174	-	-	28,465,237
1833	-	261,142	-	-	29,032,508
1834	-	213,140	-	-	13,564,413
1835	-	199,546	-	-	21,463,789
1836	-	180,930	-	-	26,013,779
1837	-	274,803	-	-	13,500,509
1840	-	221,910	-	-	13,499,502

Thus, while the revenue from 1833 to 1840 was diminished by reduced duties under the compromise act, and the inducements for smuggling greatly removed, the expenses of its collection in this branch of this service have maintained their extravagant amounts.

Some idea may be formed of the extravagance of this service, from the following statement of the expenses of some of the revenue cutters for 1837:

Gallatin	-	-	-	-	\$16,759
Hamilton	-	-	-	-	16,721
Morris	-	-	-	-	17,166
Taney	-	-	-	-	19,481
Washington	-	-	-	-	25,275
Woodbury	-	-	-	-	28,694

The annual cost of these revenue cutters is more than half sufficient for the pay of a sloop of the first class for the same time. Instead of strong substantial boats of light draught, which are capable of pursuing smugglers into the creeks and inlets of the coast, armed vessels of heavy burden have been substituted, which are incapable of passing the bars and

shoals over which the smugglers may safely pass and escape. The committee believe that a proper economy requires the sale of these vessels, and the substitution of good and substantial boats in their places, by which three-fourths of the expenses now incurred may be saved; and if any service should arise calling for the aid of armed cutters, the home squadron might be employed; for if not thus used, it will remain mostly inactive. As the Secretary of the Treasury has now all discretion on this subject, it becomes him to take such steps as will promptly bring down this extravagant branch of the service. The committee believe prudence and economy require that this service should be appropriated for by Congress, and not paid for in the manner now done. They report a bill for that purpose.

The committee propose a reduction in the expenses of the Judiciary, and in those of the light-houses; also, a reduction in the mileage of members of Congress. They propose, likewise, a reduction of the army establishment, and report bills for these several objects. The army was greatly increased in 1838, growing out, as it was alleged, of the existing and prospective difficulties with the Southern and Western Indians. These causes have almost entirely ceased, and no sufficient reason can exist why it should not be reduced to its former number. The following statement shows the relative strength on the 1st of January, 1829, and 1st of January, 1841, its aggregate expenses, and expenses for each man:

	1829.		1841.
Actual strength	5,636	-	10,694
Whole expense	\$2,100,935 00	-	\$4,197,028 00
Expense each man	344 75	-	404 71

The increase of expense of each individual is \$60. This is the result, in part, of a system of construction gotten up, by which officers of equal grade receive different pay, and the pay always increased beyond what the law allows. It seems that it would be the part of economy to establish salaries for the officers, and to cut off all perquisites, rations, extras, &c., and to allow each officer so much for his pay, and no more.

By the reductions in number and pay proposed, the committee believe that not far from a million and a half of dollars annually may be saved.

The committee have turned their attention to the number of officers employed by the Government; but, being without any sufficient data on which to act, they can make no recommendation of a specific reduction of their numbers. That they have increased disproportionably with the increase of population, and with the business for which they were appointed, is undeniably true. For illustration: In 1829 there were 199 officers in the custom-house, New York; the amount of revenue collected at that port in that year was \$13,052,676. In 1838 there were 487 officers at the same place, and the revenue collected was \$10,494,055. In 1840 the number of officers was 470, and the revenue collected \$7,557,441. A great disproportion exists, likewise, in some of the Departments at Washington. In 1835, the income from the sales of public lands was \$15,000,000; the expenses for clerk hire in the Land Office that year was \$23,500. In 1836 these expenses were increased to \$108,750; in 1840 the receipt from sales was \$2,808,000; in 1841, \$1,400,000; in each year the expenses were \$98,500.

As the committee have not sufficient information as to the reductions in number which might be made, they propose no retrenchment, more es-

pecially as it is understood that the latter branch of the public service is under the investigation of another committee. The committee have thus presented their views and recommendations for retrenchment and economy, in answer to the memorialists. That their recommendations are perfect, is not pretended; but, if adopted, they will serve as pioneers in the work of future and greater retrenchment. Their errors will be corrected by experience. That they will meet with vigorous opposition, because affecting so many interests, they have no doubt. But that the interests of the Government, in opposition to individual interests, demand similar retrenchments in the public expenditures, is undeniably true, and sooner or later, however reluctantly, still they must be made. The committee cannot too strongly press upon Congress, at the earliest day, the consideration and adoption of the measures they have proposed. If adopted, the ordinary and permanent expenditures of the Government may be reduced to eight millions of dollars annually.

The committee have not looked to what are called the extraordinary expenditures of the Government. They are regulated by no fixed rule as to amount, and rest solely in the discretion of Congress. They report the following resolutions:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be instructed to adopt such a system in reference to the revenue cutter service and the light-house establishments as will reduce the expenditures of each annually thirty per cent.; and that he adopt such measures in reference to the coast-survey, both in regard to the expenses and extent of the work, as greatly to diminish the former, and confine the latter to furnishing data for the navigation of the coast alone.*

*And be it further resolved, That he take such necessary measures as will reduce the number of officers employed in the custom-houses, as well as the expenses of collecting the revenue, at or near the number and cost of each on 4th March, 1829.*

#### MEMORIAL.

*To the House of Representatives and Senate of the United States in Congress assembled:*

The undersigned, citizens of Preble county, Ohio, would respectfully represent to your honorable body, that, in our humble opinion, viewing the general *depreciation of property and labor*, there ought to be some corresponding decrease in the salaries and wages of all officers and agents of the Federal Government, from the salary of the President downwards. What the ratio of reduction should be, you in your assembled wisdom will be best qualified to determine. But making estimates upon the basis of *facts* within our own reach, and believing that wages were high enough, even when times were the most prosperous, we should suppose that *twenty* per cent. at least should be deducted, while money maintains its present increased value, compared with the value of other property.

We would further suggest that "ECONOMY IN THE EXPENDITURES OF GOVERNMENT" was one of the principles contended for by a large majority of the electors of this country, in the canvass of 1840. We hope that you will give the subject a careful consideration, and, if compatible with your views of justice, grant the prayer of your petitioners, and thus fulfil the wishes of the country.